

FISCAL NOTE

HB 170 - SB 336

March 27, 2003

SUMMARY OF BILL: Increases the privilege tax of \$1.30 per separative work unit to \$13.00 per separative work unit on behalf of the localities in which a special nuclear enrichment facility is located. All revenues from this privilege tax would be allocated to a special fund for development of non-nuclear renewable energy sources administered and maintained by the Department of Economic and Community Development.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - To the extent such a facility is built in Tennessee, there would be an estimated increase in state revenues of \$120,000,000 earmarked for the development of non-nuclear renewable energy sources fund. In the absence of the bill, and to the extent such a facility was built in Tennessee, local governments would receive an estimated \$12,000,000 from the current tax.

Estimate assumes:

- Currently there are no facilities meeting this description in Tennessee.
- Revenue estimates assumes that if a facility were built, it would be similar in capacity to an existing facility located in Kentucky.
- Under current law, there is a tax rate of \$.30 per separative work unit expanded within a county and in addition to the \$.30 there is a tax rate of \$1.00 for each separative work unit expanded within a municipality of this state.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

HB 170 - SB 336

